A Submission on the Defence White Paper

Introduction
This submission is offered with a view to providing some insight from the work in which we have participated for Defence, Government and Industry. We are not a Defence company but a company that works extensively within Defence. We pondered the wisdom of such a paper as it may well attract criticism. Not a positive commercial outcome. In the end we decided to make a submission and to allow its public release. Our conclusion was that it would be disingenuous to have a view and not offer it.

We have pride in our contribution to Defence. Our engagements have not been without tension for we are typically employed when business is facing some difficulty and a rapid, new approach is required. In our work we seek to offer unprejudiced and insightful views with the intent of challenging existing concepts and making a difference – for the better. We hope that this submission also makes such an offer.

We, of course, have opinions on many issues however we have constrained ourselves to two themes: the strategic utility of Defence, and the effectiveness of industry engagement in operational support. We hope the submission is useful.

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The Strategic Utility of Defence

Military Assets or a Defence Capability?
Traditional considerations of Defence role and its capability, including previous White Papers and the current Issues Paper, centre on the Defence warfighting capability. This encourages a natural bias towards platform and weaponry considerations which then manifests itself in the strategic direction, and a project centric approach to military capability.

The true capability of Defence is the ability to rapidly deploy men and women into dangerous situations with a level of control, safety and sustainability not available to most organisations. Their organic communications allows for
successful operational execution despite a paucity of information and often ambiguity of mission. The prized individualism and training of the Australian service men and women delivers an almost unique ability to balance vigilance, violence and compassion.

This is an extraordinary capability available to Australia. It is much more than the shopping list of the tools of Defence (ships, planes and other weapons systems) that forms the backbone of most White Paper outcomes, manifested in a project and acquisition based Capability Plan.

**An Expanded Strategic Utility?**

Our examination of previous White Papers, and indeed the Issues Paper associated with this consideration, shows that they start with the premise that the role of Defence is the “defence of the national interest”. The language and structure, issues and conversation creates and encourages a biased posture of action in response to another. It is either derived from or influenced by traditional military thinking and a national attitude that avoids aggression. The consequence is a predictable and repeatable strategy of defence in depth or layered defence against an aggressor – with an equally predictable supporting plan of platform and hardware acquisition.

Whether they take the form of nation states, surrogates, terrorists or some other form, it is very clear that an aggressor will not strike in an anticipated manner or behave predictably. It is self-evident that the might of the US, coalitions and allies have sufficient firepower to defeat military confrontation by all but the largest of states. It is also evident that securing a peace is a much more difficult proposition for which we are ill prepared: conceptually as well as in doctrine and technology.

The asset Australia has in the ADF has potential beyond military force. Our strategy for national security should not be one of reaction, but one of advantage, influence and direction. We should be creating a security gap, not responding to one.

**Considering Alternatives**

Alternative strategies are not only possible but essential if we are to create a secure future. An alternate approach, for example, might strive for a national position in the world that makes us an unpalatable target. The creation of goodwill, empathy, understanding, and education without seeking to dominate or coerce. To seek to be seen to be more favourable as an ally than an adversary - a forward looking political security rather than a militarily defensive one - might yield better outcomes than the current doctrine of military defence. Such an approach could not stand alone – perhaps co-existing with a swift, surgical and deep military response to any overt aggression.

The ADF has a great deal to offer in furthering Australia’s interest if it is considered a national strategic asset rather than simply a tool to prosecute conflict. Delivering such a strategy of “engagement and response” might better utilise the broader Defence capability (deploy rapidly, sustain and protect itself and others, project both power and goodwill while operating in conditions of high ambiguity and personal threat).

Such an alternative strategy would see a significantly different force structure than that currently in place or being considered.

**Breaking Bounds: Developing Alternate Strategies**

We do not argue that the strategy discussed above is correct and should be adopted. We argue that the existing strategy and Defence posture is a function of history, doctrine and constrained thinking. We argue that preconceived ideas and biases are not sufficiently tested and that valuable alternates exist. It is difficult, for example, to see how the Force Structure Review could deliver an insightful outcome in parallel with the White Paper if the outcomes are not
already somewhat defined. Defence strategic positioning and the utility of the ADF should be tested more robustly than is possible in the short lived White Paper Review.

Breaking free of the obvious, the constraints of history and doctrine, testing boundaries and of the natural bounds of our experiences to develop alternate strategies is our business. Our observation is that this hard to do, no more so than in major bureaucracies where individual development is almost all “in-house” and there is little flow of new ideas through lateral hiring of new executives or indeed avenues for informed debate within or outside of the organisation. Bureaucracies demonstrate a general unwillingness to embrace challenging ideas and build “Organisational Maginot Lines” to defend the status quo. It is not new, it is not surprising and it is Defence.

More challenging yet is that the traditional Defence industries are both a product of the same individual development cycle and are driven by self-interest to ensure that capability does not diverge too far from mainstream constructs for fear that they lose position and influence. Defence, on the other hand, should be seeking greater involvement of non-traditional Defence participants if only to gain the insight into commercial development that might enhance capability, where R&D far outstrips defence R&D spending.

In a strategic sense it is the non-traditional Defence participants who will offer alternate approaches, break barriers and question traditional thinking and pre-conceived biases.

Such change is unlikely to occur within Defence without the senior executive taking the leadership position to promote and nurture initiatives. The usual contracting constructs are unlikely to assist either, as they drive to the average in selecting participants relying on a competitive model. We have some favour with the use of the Rapid Prototyping, Development and Evaluation organisation (RPDE) where intellectual property and liability provisions are uniquely managed rapidly engage participants in a collaborative construct. We declare a bias in this, having been a pivotal partner with Defence and industry in facilitating the establishment of the organisation over a decade ago. While noting it would need some adaptation, it would provide a useful foundation to bring traditional and non-traditional participants together.

The essence of our first premise is that Defence and the White Paper reviews over the years have been constrained in their thinking, generating a bias that has not fully looked at the utility of Defence as a national asset beyond its traditional role. We recommend an open and deep strategic review of the potential employment of Defence in support of a broader national interest, and that organisational and historical biases that drive current strategies be actively addressed by the employment of non-traditional participants in unique engagement construct to consider such issues.

1 A term coined by Tom Peters in 1979 (McKinsey and Company, Quarterly, Sep 1979) and seemingly extraordinarily relevant today. We return to this theme in our submission to the First Principles Review where we discuss matrix organisations.

2 Defence and aerospace R&D was reported as 1.6% of total world-wide R&D in 2013 by a joint study undertaken by R&D Magazine and Battelle plc with ICT and Life Sciences attracting by far the largest proportion.
We have concluded that this is not a short term review and is unachievable within the time frame of the White Paper. It would be best undertaken as a consequence of the White Paper with a view to it feeding a mid White Paper Repositioning.

The Efficacy of Commercial Support

Defence cannot deploy or sustain itself in theatre for other than a short period without industry support.

In Timor, after initial lodgement, almost all logistic support was provided by a single contractor including health and emergency response, rotary wing, fuel and fuel reserves, accommodation and recreation, rations and meals, maintenance and vehicles. This contractor delivered all those services while living off base in their own compounds. Interestingly one of the senior commanders remarked, when asked what would they do for support of an unstable security situation developed (ie riots), the response essentially claimed that the contractors would be expected to turn up as that was what is in their contract!

We were less involved in Afghanistan but we are aware of the reliance on contracted support in that theatre. We were very aware of the loss of life suffered by one company when their convoy was ambushed delivering food into Tarin Kowt, while we were in the process of negotiating the contract for delivery of services to the ADF.

Industry is no longer simply an equipment supplier and maintainer, but is an integral component of Defence capability. It is interesting to us that the concept does not rate a mention in this Issues Paper.

There are clearly some specialist Defence Industries, but certainly in the logistics space it is of greater value in both terms of enhanced capability and cost, to align with commercial industries doing business with Defence. The Defence sector is a self-fulfilling prophecy: Defence has special needs, Defence Industry has the special solutions, and together we are obvious partners. Defence needs to move beyond its “special needs” and better embrace a broader industry sector and align its operations to take advantage of the capability that all of industry has to offer.

Industry moves and accommodates more people, moves and uses more fuel, maintains more equipment, delivers more medical services and, as has been said before, spends more on R&D. Industry is the innovative leader in technology and process. Defence would be better served by asking “how” than telling industry “what”. We address the acquisition and sustainment programs in our submission to the First Principles Review.

Operational support would be better served by increased industry engagement in strategy and options development, detailed contingency planning and development of forward thinking contacts. The strength of the ADF on operations is its weakness in its engagement with industry. Dealing with highly ambiguous requirements, extreme flexibility in delivery, a “can-do, mission at any cost” approach might be the hallmark of the ADF, but are the antithesis of good commercial behaviours. The challenge is to develop better planning and foresight within ADF preparedness, while ensuring sufficient flexibility to meet changing circumstances. Most of the ADF need for flexibility can be accommodated, albeit at a cost. At the moment we perceive industry is at the certainty end of the pendulum swing, while the ADF is at the maximum flexibility end. Good planning, clear communication, an understanding of commercial practices and how the industry operates not only reduces cost will dampen the inevitable friction while enhancing service delivery and effective military capability.

Today, being able to operate in a commercial environment while on operations is as important as being able to operate with allies. The ADF has some way to go in treating industry as another ally.
Our view is that there should be a focus on reducing reliance on organic Defence logistics, focusing on initial deployment and the most forward of operational areas. Greater engagement, planning and pre-planned contracting arrangements including judicious investment against a logistics strategic plan would serve Defence, the ADF and the Australian people well. This would be a useful activity within this White Paper’s epoch.

**Conclusion**

We have sought to address only two issues, those that we feel we have some experience and credential rather than simply one more opinion. This submission is not detailed, fully substantiated argument and rests on experience and observation. We offer it because we have found that alternate, implementable ideas allow progression rather than debate.

It is anticipated that a separate submission, allied to this one but focusing on the commerciality of Defence business activities, will be made the First Principles Review. We appreciated opportunity to offer a view, and would be delighted to discuss any of these issues with the White Paper Team.